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Office Memorandum • UNITED STATES GOVERNMENT

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TO : Technical Accounting Staff

DATE: 3 December 1957

FROM : Chief, Finance Division

SUBJECT: Proposed Revision No. 6 of the Chart and Description of Accounts, Finance Division

1. Our comments and suggestions regarding the proposed Revision No. 6 of the Chart and Description of Accounts, Finance Division, are as follows:

25X1A9a [redacted] a. Accounts numbered 170.1 through 170.7, 171.1 through 171.7, 172.1 through 172.7, 173, 175.1 through 175.7, and 320. The first sentence in each of these accounts describes what the account represents and defines "carrying value". It is suggested that one sentence describe what the account represents and another sentence define "carrying value"; and it is suggested that the words "based on the cost" be deleted from the definition of "carrying value".

b. Account numbers 172.1 through 172.7. With respect to credit (b), current procedures provide that when property on loan to others is sold, the carrying value of the property is returned to "On Hand" and then recorded with a 6-6 transaction code as "property sold". It is suggested that current procedures be modified to conform with this revision or that credit (b) be changed to conform with current procedures. In this connection, debit (a) to account number 622 states that the contra entry will be to the applicable 170 decimal account.

25X1A9a [redacted] c. Account number 173. Current Headquarters procedure does not provide a transaction code which will result in a debit to account number 173 and a credit to account number 320 with the carrying value of property on loan from others. Such transactions are currently recorded with transaction code 3-7 which results in a debit to the applicable 170 decimal account and a credit to account number 320. It is suggested that Headquarters procedures be modified to provide that transaction code 3-7 will result in a debit to account number 173 with contra to account number 320.

25X1A9a [redacted] d. Accounts numbers 175.8 and 175.9. It is suggested that a new sentence be added to the description of each account to define "carrying value".

e. Account number 185. It is requested that the substance of the footnote to this account be more clearly stated; also, that the word "par" be substituted for the words "maturity redemption" as used in the second sentence of the description of the account.

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f. Account number 195. The debits and credits to this account refer to "carrying value". It is suggested that the description of this account contain a definition of "carrying value".

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g. Account number 195.9. It is suggested that the words "carrying value" be deleted and the word "cost" be substituted, therefor, as under current procedures this account is debited and credited with the cost of property purchased for cash by Class A field installations following FPA procedures. Entries are made to this account from Schedule E which reflects cash disbursements.

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h. Account number 255. Are there any restrictions as to how often differences of \$100.00 or less may be recorded in this account. For example, some stations reconcile each material group monthly, using the "net change" method of reconciliation; other stations reconcile each material group only annually. May a station which reconciles each material group monthly record in this account monthly each difference, by material groups, which is of \$100.00 or less. If there are restrictions, they should be mentioned in the account description.

i. Account number 302. It is suggested that the sentence which defines counter checks be made the second sentence in the description of this account. *ok*

j. Account number 303.2, 303.3 and 623.1. Debit (b) and credit (b) of each of these accounts are difficult to understand. It is suggested that they be clarified.

k. Account number 350. It is suggested that a footnote, similar to the footnote to account number 250, be added to account number 350.

l. Account number 623.1. It is suggested that the words "for which payment is to be effected by Headquarters" be deleted from the footnote to this account, as all overhead and transportation charges relating to

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